

## JOBS AND THE ECONOMY

### HB 4093 - Enterprise Zones

Increases number of enterprise zones that may be designated and maximum area of rural enterprise zone.

**Patrick voted: Yes**

*You may have heard about the Oregon House Republican's 50,000 jobs in five years agenda – which were seven bills to lower capital gains for in-state investment, cut more timber, irrigate more farmland with water from the Columbia river, and provide families with a \$250 tax credit per child, among others. This bill was the only one to pass from that agenda, and will create 6,125 new jobs.*

Outcome: Became Law

### HB 3034 - Timely Payment for Contractors

Changes applicable rate of interest for contractor's failure to make timely payment in accordance with public improvement contract to nine percent per annum.

**Patrick voted: Yes**

*This ensures contractors and subcontractors receive timely payments for construction projects.*

Outcome: Became Law

### SB 1532 - The Facebook Law

Excludes certain company that owns or leases data center in enterprise zone from central assessment during period of enterprise zone exemption.

**Patrick voted: Yes**

*This is the "Facebook Law" that allows us to continue attracting high tech companies like Facebook and Google to locate data centers in our state by cleaning up a property tax exemption issue.*

Outcome: Became Law

### HB 4040 - Oregon Growth Fund

Establishes Oregon Growth Fund and Oregon Growth Board to encourage investment in and availability of capital to Oregon businesses and to further economic development in Oregon.

**Patrick voted: Yes**

*This changes the name of a program that already exists, and changes the makeup of the decision makers. This fund helps assist start-up companies with funding in the stage just before they reach out for more significant venture capital. The change allows industry professionals on the board who have experience funding companies to determine where to invest.*

*The fund has existed for about 15 years as a subset of the school stability fund (SSF). This is the aspect that gave me pause. The SSF is a bank account that maintains a variety of investments, and the Oregon Growth Fund is one of them. It represents about 5% of the overall SSF, but the return on investment has been poor over time, losing about 7% annually. The nature of the investment is high risk / high reward. I am confident that the change we made in makeup of the board will reverse this trend and the fund will help both schools and new businesses.*

Outcome: Passed, waiting for Governor's signature

## SENIORS

### HB 4084 - Elder Abuse Package

Provides that prosecution of certain felonies committed against person 65 years of age or older may be commenced within six years.

**Patrick Voted: Yes**

*This is the strongest package of laws to prevent unscrupulous individuals from taking advantage of senior citizens that we've seen come out of the Legislature. There are too many stories of a family member or stranger draining a senior's bank account, or physical or mental abuse by caregivers. This package doubles the statute of limitations on prosecuting forgery, robbery, or identity left against those 65 and over. It eliminates the ability to expunge the criminal record of someone convicted of mistreating a senior citizen so they cannot work at a retirement community or skilled nursing facility. It also provides a host of new tools for reporting, investigations and enforcement.*

Outcome: Passed, waiting for Governor's signature

### HB 4039 - Reverse Mortgage Help

Requires lender to notify potential borrower of prohibition against pledging tax-deferred homestead as security for reverse mortgage.

*This bill provides temporary relief to seniors with reverse mortgages under the Senior Property Tax Deferral Program. It applies only to those who were already enrolled in the program.*

**Patrick Voted: Yes**

Outcome: Became Law

## CHILDREN AND FAMILIES

### HB 4016 - Child Abuse Reporting

Adds employee of organization providing child-related services or activities, employee of higher education institution, coach, assistant coach or trainer of child athlete and individual who provides guidance, instruction or training in youth development activity to list of public and private officials required to report child abuse.

*Expands the number of mandatory reporters of child abuse to include coaches, athletic instructors, etc.*

**Patrick Voted: Yes**

Outcome: Passed, waiting for Governor's signature

### SB 1555 - Bullying

Requires school employees to report acts of harassment, intimidation or bullying and acts of cyber bullying.

**Patrick Voted: Yes**

Outcome: Passed, waiting for Governor's signature

### HB 4077 - Teen Dating Violence

Directs each school district board to adopt policy regarding teen dating violence.

**Patrick Voted: Yes**

Outcome: Passed, waiting for Governor's signature

## HEALTH CARE

### HB 4165 - Health Insurance Exchange

Approves the Health Insurance Exchange business plan and provides an option for school districts and employers with more than 100 employees to enroll.

**Patrick Voted: Yes**

*Although this legislation was once inaccurately labeled "Obamacare" because of it's federal funding, the system should be extremely helpful to small business owners and individuals. The health insurance exchange allows businesses and individuals to go onto a website that has a number of different health policies. The employer then selects a defined contribution – lets say \$500 per month with a base policy. The employee may then manage their own health insurance benefits. If they want to add more or less coverage in different areas, they will be able to customize their insurance package and pay the difference (if any). This should cut down on the massive administrative hassles for small businesses to administer complicated health plans, as well as lower costs of insurance and increase choice.*

*The media had a field day with what they characterized as the republicans holding this bill hostage for other things. That's nonsense. The sticking point was within the bill itself. Our position was that if it was a cost savings for businesses and individuals, why not allow school districts to access the system? Right now, school districts are forced to use the Oregon Employee Benefits Boards (OEBB) to provide health insurance to teachers and staff. This was intended to save money, but has rapidly become more expensive than other insurance. With school districts looking to deliver equal services for less money, we fought to allow them out of the OEBB program and into the exchange. We were successful, and now school districts have the flexibility they've been begging for.*

Outcome: Became Law



### SB 1580 - Health Care Transformation

Provides legislative approval of Oregon Health Authority proposals for coordinated care organizations.

**Patrick Voted: Yes**

*This was the transformation bill that reforms the health care delivery system to low-income families to focus on integrated care.*

Outcome: Became Law

### HB 4027 - Immunity for Charitable Caregivers

Expands immunity from liability for health care provider who provides services for charitable organization without compensation

**Patrick Voted: Yes**

*As we all struggle to find ways to take care of our neighbors in this difficult economy, we're seeing an increased commitment from medical professionals who donate their time. This bill shields them from liability when working free of charge for a charity.*

Outcome: Passed, waiting for Governor's signature

## HOUSING

### HB 2854 - The Foreclosure Bill

Requires beneficiary or beneficiary's agent under residential trust deed to send notice of mediation and enter into mediation with grantor for purpose of agreeing to foreclosure avoidance measure.

**Patrick Voted: Yes**

*This bill was one of my most personally hard-fought victories. Mediation in foreclosure only works about 5% of the time. The original bill made mediation mandatory, which would be a waste of time for 95% of homeowners. Instead, we amended the bill to include a counselor who intervenes at the start of the process to help direct the homeowner to mediation or one of several programs from the national mortgage settlement. The owner may still force mediation – even if the counselor recommends against it. Additionally, dual track foreclosure has been eliminated, where banks were allowed to proceed with a foreclosure while negotiating with the homeowner on a loan modification. For more information about the national mortgage settlement, please see the other side of this flyer.*

Outcome: Passed, waiting for Governor's signature

### HB 4111 - Fairness in Forced Sales

Changes procedures for local government to sell land or tract and any improvements to enforce unpaid liens for final assessments for local improvements.

**Patrick Voted: Yes**

*This was a reaction to a horrible loophole that had allowed governments to lien and sell homes for the value of a local assessment. We heard the story of a homeowner who was assessed \$7,000 by their city. Without the money to pay it, the city forced a sale of the home. The only bidder offered \$7,000. Since that satisfied the city's lien, they accepted, and the home was sold and the owner was left with nothing. This bill creates limitations on what cities can sell seized homes for as a percentage of market value.*

Outcome: Passed, waiting for Governor's signature

## K-12 EDUCATION

### HB 4014 - Relief From Unfunded Mandates

Abolishes District Best Business Practices Advisory Committee and authority to conduct best business practices audits.

**Patrick Voted: Yes**

*This removed 8 unfunded mandates on schools. We no longer require them to celebrate Arbor Day, or force them to inform the state before they adopt new textbooks.*

Outcome: Passed, waiting for Governor's signature

*Additionally, we approved all-day kindergarten (HB 4165), invested in STEM (HB 4056), and initiated the process of establishing achievement compacts and created timelines for the Oregon Education Investment Board to track achievement of K-12 students through higher education (SB 1581).*

## PATRICK SHEEHAN'S BIG THREE

I had a very successful session. Each Legislator was allowed 2 bills to Chief Sponsor. I also joined-in as a Co-Chief on a bill that I spearheaded last session. Here are the three bills, and how they turned-out.

### SB 1575 - Funeral Civility Act

Increases penalty for crime of disorderly conduct if crime is committed within 200 feet of property on which person knows funeral service is being conducted.

*Last session I introduced the Funeral Civility Act, which would have established buffer zones between funerals and protesters. The Senate Judiciary Committee decided not to advance the legislation after it passed through the house 57-3. The Senate Judiciary Chair Floyd Prozanski was concerned that it would raise a constitutional question, and tempt funeral protesters to come to Oregon to test the legality of our protections.*

*During the interim, I introduced a legislative concept that would have allowed funeral directors to rent the public space around funerals for processions, displays and quiet observance. Anyone inside that space (with adequate considerations for traffic and access to private property) could be asked to leave by the permit holder. I still believe this is the right way to address the issue.*

*Instead, the Funeral Civility Act we passed in February strengthens the punishment for breaking existing disorderly conduct laws when done in proximity to a funeral. I'm pleased we were able to take this step, but will be looking to revive my original concept soon.*

Outcome: Became Law

### HB 4051 / SB 1559 - Direct Funding of 911

Requires Office of Emergency Management to distribute 9-1-1 tax revenues directly to 9-1-1 jurisdictions.

*During a regular check-in with Clackamas and Portland Fire Chiefs, a serious problem with 911 dispatch came to light.*

*Every month, you pay 75¢ per phone line that pays for 911 call centers. This money is collected by the state through the Office of Emergency Management who applies a per-capita formula and issues quarterly checks to 256 cities and counties. The cities and counties then write checks to their 911 call centers – at least, they're supposed to.*

*We found that in Clackamas County, about \$500,000 per year was finding it's way into other services. While cities like Damascus and Happy Valley were following the law, others were not. This was triggering endless audits, legal opinions and the under funding of critical emergency response services.*

Outcome: Passed the House and subsequently killed by a Senate Committee

*The solution was simple. We needed to amend the law to read that these 911 payments should go directly from the state to the 911 centers. Cities would still choose where to send the money, but we would eliminate the middle man and prevent any misappropriation.*

*What followed was an ugly lesson in partisan politics. My house bill was killed by a committee co-chair who was angry that he didn't get one of his own bills heard. He told me on the floor of the House, "It's too bad because you have a good bill, but I'm killing it."*

*I was disappointed because I'd really never seen that happen so bluntly before, and it's definitely not what the people sent us here to do. Despite the setback, I dusted myself off and began to strategize how to bring the bill back to life. I know that when we need them, our fire departments are not going to give up on us – and I'm not going to give up on them.*

*I found a Senate bill that dealt with 911 services that was doomed to fail. I spent the next 3 days lobbying the senate to amend that bill to replace the content with my concept. When all was said-and-done, the bill had been through 4 different committees, had been killed once, almost killed again, and eventually unanimously passed both the Senate and House. A wild ride, but we got it done for public safety.*

Outcome: Passed and awaiting Governor's signature.

### HB 4090 - Strengthening Property Rights

Authorizes owner of real property that is located within urban growth boundary of metropolitan service district and, due to certain impediments, not provided with sanitary sewer or water services to cause public or private provider of sanitary sewer and water services to connect service facilities and serve property if owner pays all costs to connect and deliver service.

*This was one of the most substantial property rights bills to advance through the House in years. This would have allowed property owners whose land was in the urban growth boundary to receive water and sewer services from adjacent districts if their own district was unwilling or unable to do so. I plan to bring it back in 2013.*

Outcome: Passed the House and subsequently killed by a Senate Committee



**THE NATIONAL MORTGAGE SETTLEMENT - HELP FOR HOMEOWNERS ON THE WAY.**

Last month, I attended a briefing by the Attorney General's Chief of Staff to update us on the status of the **\$35 billion National Mortgage Settlement**. This information is preliminary, and subject to the approval of a Federal judge. But I wanted to let you know what's coming – specifically \$307 million for Oregonians.

I want to first convey that this is not a government program, and tax dollars are not used to fund it. These programs are available because of a legal settlement with the big five banks. If you're a borrower in good standing, you'll still benefit from this program as distressed housing inventory begins to come off the market, which should cause values to rise and real estate inventory to loosen.

If you have a home loan though, or have been foreclosed by **Bank of America, JP Morgan Chase, Wells Fargo, Citi, or Ally** this settlement directly applies to you. These five servicers have agreed to a settlement to states in lieu of further action by 49 Attorneys General for unfair lending practices.

**Oregon's portion of the settlement includes:**

**\$30 million to the state.**

This is money will likely be spent by the legislature as directed by the emergency board this summer. I hope to direct this money to specific programs to help borrowers with mediation, counseling and other assistance to help Oregonians stay in their homes.

**\$18 million in direct payment to borrowers.**

This applies to borrowers who have been through a foreclosure with one of those five lenders. Once this program is in place, Oregonians who have been through a foreclosure can apply to receive a direct settlement check the Attorney General estimates will be between \$1,800 and \$2,000. This does not prevent you from bringing a civil action against your bank individually.

**\$35 million to underwater borrowers.**

This money will be used to help adjust principal balances down to market value. If your principal balance is higher than the value of your home, you will be able to apply to have money from this fund used to adjust your principal down.



**Video Explanation**

Search for "Oregon Mortgage Settlement" on google, or scan the QR code with your smart phone to view.



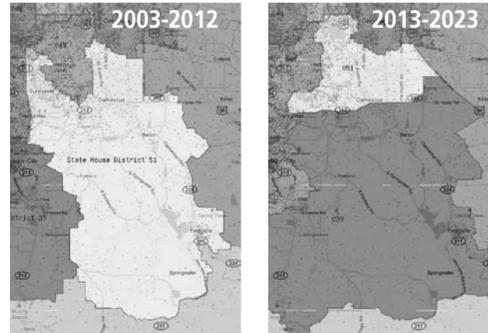
*Do you or did you have a loan with one of these banks? If so, you may be able to access the National Mortgage Settlement to adjust your principal balance, renegotiate your mortgage terms, or assist in a short sale.*

**\$224 million in foreclosure incentives.**

The details of this fund are still a bit unclear, but it appears that this will go to counseling, mediation, and direct financial assistance. One of the most exciting possibilities here is that this money can be used to cover the difference when you perform a short sale - which is selling your home for less than is owed. Banks that have been hesitant to accept short sales in the past will now be able to use these allocations of the settlement to cover the difference, making it easier for underwater borrowers to sell their homes.

If Oregonians don't use up these settlement dollars quickly, the banks' commitment will be increased 25%, so they are motivated to implement these programs.

This settlement is going to provide tremendous relief to Oregon's home owners and those displaced by foreclosure, and should be online by April. If you have any questions, please feel free to contact me at patrick@patricksheehan.org or (503) 986-1451.



**2012 CAPITOL REPORT**  
**HOUSE DISTRICT 51**  
 ANNUAL SESSION ACCOMPLISHMENTS  
 AND CONSTITUENT REPORT

**INSIDE:**

- Details of the National Mortgage Settlement
- Vote highlights from the 2012 legislative session.
- Patrick's "Big Three" bills he sponsored this session.
- Patrick's Contact Info

**DISTRICT 51 – NEW BOUNDARIES:**

The 2011 Legislature approved a redistricting plan which changes the boundaries in January of 2013.

The map on the right shows the new areas of House District 51, including expanded areas of Damascus, Happy Valley and the East Portland neighborhoods of Pleasant Valley and Powellhurst-Gilbert.



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**The short, even-year legislative session has come to a close.** I received a lot of positive feedback from my last legislative update about offering you some detailed votes and explanations. So again I've hand-selected an assortment of policy bills from the session – and given a short description, voting record and explanation for each. I've also included a description of the **programs available for distressed homeowners** under the national mortgage settlement.

These are just 18 of the 143 votes I took on the floor of the House of Representatives in this short session. I tried to select some that were interesting, thought-provoking, or controversial. It should provide you with a glimpse into some of the detailed issues we addressed, and a little "inside baseball" along the way. If you have any questions about these (or the votes I didn't have room for here), please call me on my mobile line at (503) 380-9480 or e-mail Patrick@PatrickSheehan.org

**How to Read the Report Details:**

- 1. Bill Number & Title** - type number into: gov.oregonlive.com/bill for full details.
- 2. Catch Line** - basic description.
- 3. Patrick Voted** - yes or no.
- 4. Explanation** - why I voted that way.
- 5. Outcome** - fate of the bill.

- 1 SB 5552 and 5553 - K-12 Budget**
- 2** Funded K-12 Education before anything else in the state budget. Appropriated \$100 million more than the governor recommended.
- 3 Patrick voted: Yes**
- 4** *We refused to allow the K-12 budget to be used as a political football, and funded it first. We later allocated more from the school stability fund as well.*
- 5** Outcome: Became Law

Indicates what went on behind the scenes. →



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*TOP: On the floor of the House. MIDDLE: Eating a scorpion on a dare in Beijing during our legislative trade mission to China, Delivering the keynote address at a Job Corps Graduation. BOTTOM: Exchange student Anna holding the Speaker's gavel with constituent and host father Dan Ferris.*